Treasury and Policy Board

Business Plan 2005-2006

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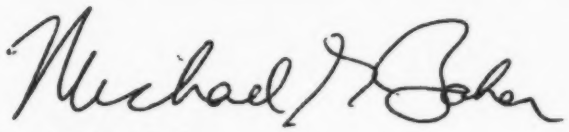
A. Message from the Minister

I am pleased to present the Treasury and Policy Board office Business Plan for the 2005-2006 fiscal year.

In 2001 government created Treasury and Policy Board as part of its vision of a streamlined executive and public service. Treasury and Policy Board office was established to provide administrative support and advice to Executive Council. At the time, very few Canadian jurisdictions had a similar Cabinet secretariat function that blended financial and policy responsibilities. Now, with a few years of experience behind us, it was time to assess the effectiveness of Treasury and Policy Board and, potentially, fine tune its structure.

In December 2004, Treasury and Policy Board initiated a review that examined the organization's direction and structure. The new structure, announced March 29, 2005, includes three branches: the Treasury Branch, the Policy Branch, and Executive Council Operations. Under the new structure, TPB will: improve it's analysis of government's annual expenditure and longer term expenditures; enhance its leadership on cross government policy development and; strengthen governance for third party entities to better respond to government's interest and needs.

The overall mandate of the Treasury and Policy Board is to ensure that the Province's expenditures are managed in a professional and accountable manner.



Hon. Michael Baker
Chair of Treasury and Policy Board

B. Vision and Mission

Vision - Public policy excellence that promotes the social and economic well-being of the province.

Mission - To work collaboratively with all government entities to develop, implement and communicate effective public policy that reflects government goals and priorities.

C. Planning Context

Under TPB's new structure, the Treasury Branch is responsible for supporting Executive Council's, and Treasury and Policy Board's (the Cabinet subcommittee) financial decision making. The branch will enhance its ability to provide analysis and advice on the Province's longer term investment opportunities. As well, the branch will concentrate on better understanding the annual expenditures of government agencies, and will take responsibility for leading the annual business planning and accountability reporting processes. The branch will continue its responsibility for allocating and monitoring provincial operating and capital expenditures.

The Policy Branch is responsible for supporting Executive Council, and three of its committees: Economic Growth, Social Policy, and Legislative and Regulatory Review. In collaboration with government agencies, the branch identifies significant near- and long-term policy challenges and, in some cases leads cross government policy development. The branch will ensure that Cabinet has the information and options it needs, to discuss the issue in an informed manner. On a more operational level, the branch analyzes all submissions to Executive Council, (except ABC appointments). Additionally, the branch reviews all presentations to Executive Council and its committees, excluding the Treasury and Policy Board. In collaboration with the sponsoring agency, the branch analyzes both policy and financial considerations and makes recommendations.

Executive Council meets weekly to address very complex and highly confidential matters. To function effectively, Executive Council requires support to ensure its decisions are properly recorded and executed. TPB is Executive Council's secretariat. As such, TPB is a vital link that ensures government functions effectively. The Executive Council Operations Branch has a two-fold purpose: to manage the flow of information into and out of Executive Council; and, to improve collaboration between departments and government's third parties. Most importantly, the branch will develop new processes to improve the quality control of Cabinet's documentation. The Branch also oversees government's ABC appointment process, and requests under the *Freedom of Information and Protection of Privacy Act*. Governance and accountability is increasingly a concern for the public sector. While the province has made significant strides, we recognize there is scope for improvement, and the Branch will be providing this corporate leadership.

D. Strategic Goals

- Provide high-quality analysis and recommendations to the Executive Council, and its committees, and provide corporate leadership to government agencies.
- Improve governance/accountability for government agencies including crown corporations.
- Improve systems, processes and procedures required for effective and efficient administration of government.

E. Core Business Areas

1. *Support to Executive Council and its Sub-Committees*

A key responsibility of the TPB office is managing submissions to, and follow-up from, Cabinet, Treasury and Policy Board, the Economic Growth, Social Policy, Legislative and Regulatory Review, and Labour Relations committees. The office develops the TPB agenda and provides critical analysis of policy and expenditure proposals. The analysis, which accompanies submissions to the Executive Council and the Cabinet committees, serves as background to the decision-making process and helps ensure decisions are based on complete and accurate information and a full understanding of corporate policy and financial implications.

The TPB office also supports the work of the Legislative and Regulatory Review Committee by identifying policy issues that should be referred to Cabinet , TPB or the Cabinet committees for review and decision and provides advice on draft legislation to ensure policy objectives are met.

2. *Strategic Planning and Budgeting*

The TPB office assists the Executive Council in developing and communicating corporate priorities and develops processes to ensure funding allocations are consistent with policy direction and priorities. The office analyzes and advises on department and agency budgets to ensure that allocations support priorities, suggesting modification when necessary.

The TPB office is the Government of Nova Scotia's central planning agency. Responsibilities include preparing the Government of Nova Scotia Business Plan publication and coordinating the publication of annual business plans for departments, agencies and crown corporations.

While primary responsibility for the provincial budget rests with the Minister of Finance, the TPB office works closely with the Department of Finance to prepare the provincial budget. The office coordinates the development of the expenditure component of the

budget and monitors government expenditures throughout the year to ensure that expenditure targets are achieved.

3. ***Coordination of Corporate Policies and Priorities***

The office identifies major corporate policy issues and coordinates policy development with departments and agencies on issues that cross departmental boundaries. The TPB office initiates, and sometimes leads, corporate projects.

4. ***Supporting Effective Corporate Administration of Government***

The TPB office continues to work to improve the administration of government by developing new policy, issuing and communicating guidelines and standards, advising on government structure and programs and by supporting senior leadership development.

An important role of the TPB office is to improve the accountability and performance reporting practices of Government, departments/offices, certain government agencies and crown corporations. Building on the progress made in recent years (annual business planning including performance measures and accountability reporting), work is being conducted to implement monthly financial reporting by all government agencies.

TPB is also leading a corporate project to improve governance of government agencies. Implementation of improved governance processes is expected to provide clear direction and support for the agencies to work toward shared outcomes with departments and a more effective and efficient use of public funds.

F. Priorities

1. ***Provide High-Quality Analysis to the Executive Council***

TPB is required to provide high-quality analysis and recommendations to the Executive Council, and its five Cabinet committees, and provide corporate leadership to government agencies. As a result of TPB's new direction and structure:

The Treasury Branch will develop and implement a plan to:

- increase analysis and planning for government's longer term expenditures and opportunities for investment (sharpening the "business case" for investments)
- expand review and examination of government agencies' annual expenditures (increasing our understanding of "base spending")
- increase coordination of annual budget allocation, business planning, and accountability reporting

- provide financial advice and support for the Labour Relations Committee

The Policy Branch will develop and implement a plan to:

- increase inter-agency coordination, develop and manage a policy agenda that identifies government's significant opportunities and challenges and, in certain cases, lead cross government policy development

- improve support for Executive Council, Social Policy Committee, Economic Growth Committee and Legislation and Regulatory Review Committee through long range planning and increased coordination among government entities

- integrate financial and policy analyses of Memorandum to Executive Council, and Reports and Recommendations (excluding ABC appointments)

The Executive Council Operations Branch will develop and implement a plan to:

- improve agenda management of submissions to Cabinet and Committees by quality assurance role, ensuring submissions meet requirements established by Cabinet

- improve record keeping and management of Cabinet documents and records of decision.

- strengthen governance framework for third party entities to better respond to government's interests and needs

2. ***Improve Government Accountability***

Program Inventory and Costing - This is the third year of this initiative. The purpose of the project is to develop an inventory of programs with related cost information. The program inventory is substantially complete. The inventory provides important information to help government assess the effectiveness, economy, and efficiency of programs and services and to formulate policy and funding decisions. Our priority for 2005-2006 is to update the web based application allowing for administrative improvements including archiving and enhanced reporting ability. The costing methodology will continue to be developed and piloted in several departments. A users group will also be established to provide advice and guidance on modifications and improvements to the system.

User Fees and Government Charges - The purpose of the project is to develop corporate policy and guidelines for the administration of government charges and user fees. The project also includes developing a government charges database to provide management information. In 2004-05 a master list of government charges was developed and draft policy work was completed. Our priority for 2005-2006 is to complete development of a user fees and government charges policy, in consultation with

departments, and further develop the government charges database.

Regulatory Reform - Building upon the recommendations made by the Red Tape Reduction Task Force, and in collaboration with Department of Environment and Labour, Treasury and Policy Board will provide corporate leadership in building a culture of continuous regulatory reform, including regular reporting to the Treasury and Policy Board Cabinet committee concerning the progress of regulatory improvements.

Third-Party Entity Reporting and Governance - This multi-year initiative will be ongoing in 2005-2006. In consultation with departments and third-party entities consolidated in the financial statements of the Province, we will continue work on our priority of strengthening reporting and governance policies and practices for government agencies. Emphasis will continue this year on timely financial reporting and work toward implementing standards for improved internal governance.

3. ***Improve Government-Wide Systems, Processes and Procedures***

Management Manuals - The TPB office continues to promote the use of the management manuals and its website. The TPB office continues to oversee the approval process for new policies, the repeal of redundant policies and the amendment of existing policies. TPB office is responsible for ensuring that all policies contained in the management manuals are all reviewed at least once every three years.

- The 3 year anniversary of the management manuals website is on February 4, 2006. TPB will be working with departments (the owners of the policies) to ensure that all corporate administrative policies have been reviewed at least once before this date.
- TPB office will continue to promote the use of the management manuals and its website by ensuring that components of the management manuals are incorporated into future manager/executive programs being offered through the PSC training.
- TPB office will be working more closely with Crown Corporations to ensure each crown corporation understand their applicability and use of the Management Manuals.
- TPB analysts, when meeting with Senior Management teams of Departments/PSE's, will be promoting the use and applicability of the Management Manuals by using a standard presentation which will be use to continue the promotion of the management manuals.

G. Budget Context

Treasury and Policy Board - Estimated Budget Expenditures			
	Budget 2004\05	Forecast 2004\05	Budget 2005\06
	($000's)	($000's)	($000's)
Total - Gross Current	$2,742.0	$2,467.3	$3,079.0
Salaries and Benefits	$2,378.0	$2,123.9	$2,566.0
Funded Staff (FTEs)	29.0	25.2	29.0

H. Performance Measures

Core Business Area: Support to Treasury and Policy Board / Cabinet				
OUTCOME	**MEASURE**	**DATA**	**TARGET-2004-05**	**STRATEGIES to achieve target**
Quality information and advice to Executive Council and TPB	Overall satisfaction with information and advice to Executive Council and TPB per bi-annual Client Survey	77% overall satisfaction level with the Cabinet document submission process (2003-04 - base year)	Increase overall satisfaction above 77%	Develop an Action Plan and implement recommendations to address issues raised in the 2003 Survey.

Core Business Area: Strategic Planning and Budgeting				
OUTCOME	**MEASURE**	**DATA**	**TARGET-2004-05**	**STRATEGIES to achieve target**
Improved financial and business planning and accountability reporting	Overall satisfaction with: - budget process; - business plan process; and - accountability reporting process.	Overall satisfaction based on 2003 Survey (base year): - budget process - 65% - business plan process - 65% - accountability reporting process - 63%	Increase overall satisfaction above 65%	Develop an Action Plan and implement recommendations to address issues raised in the 2003 Survey for the budget process, business planning and accountability reporting. Complete the Planning, Budget and Accountability Framework project. Conduct a comprehensive review of existing business planning and accountability reporting practices to improve their usefulness and value to stakeholders.
Increased understanding of Government's priorities	Client survey: Percentage of survey respondents who said they have a good understanding of Government's priorities and goals	Percentage of survey respondents who said they have a good understanding of Government's priorities and goals based on the 2003 Survey (base year): - 86%	Maintain at 86%	Develop an Action Plan and implement recommendations to address issues raised in the 2003 Survey to improve understanding of Governments priorities and goals

Core Business Area: Coordination of Corporate Policies and Priorities				
OUTCOME	**MEASURE**	**DATA** *(for baseline year and subsequent years)*	**TARGET-2004-05**	**STRATEGIES to achieve target**
Collaborative policy development	Client survey: Percentage of survey respondents agreeing that TPB provides good leadership in coordinating corporate policy efforts.	Percentage of survey respondents agreeing that TPB provides good leadership in coordinating corporate policy efforts based on 2003 Survey (base year): - 60%	Increase above 65%	Develop an Action Plan and implement recommendations to address issues raised in the 2003 Survey to better coordinate corporate policy efforts

Core Business Area: Supporting Effective Corporate Administration of Government				
OUTCOME *(immediate or intermediate)*	**MEASURE** *(outcome-based; quality, efficiency/productivity, cost-effectiveness)*	**DATA** *(for baseline year and subsequent years)*	**TARGET-2004-05**	**STRATEGIES to achieve target**
Useful administrative policies that facilitate efficient government administration See Note 1.	Client survey: Percentage of survey respondents satisfied with the Management Manual updating process.	Percentage of survey respondents satisfied with the Management Manual updating process based on 2003 Survey (base year): - 83%	Maintain satisfaction rating at 80% or above.	Respond to recommendations of the Action Plan raised in the 2003 Survey.

Note 1: The measures for this outcome in 2003-2004 were "percentage of corporate policies in process" and "percentage of corporate policies published". Because these percentages do not have a predictable pattern, this measure has been replaced by a satisfaction measurement of the overall management manual process.